

required the submission of views and recommendations within ten days; continued for all other cases the thirty day waiting period after date of approval by the Board for consummation of the transaction; and substituted provision for commencement of stay actions prior to the earliest time at which the transaction approval under section 1842 of this title might be consummated for prior provision for commencement of such stay actions within the thirty-day waiting period.

1970—Subsec. (b). Pub. L. 91-607, §104(a), substituted “section 1842 of this title” for “this chapter” where appearing first two times, and inserted “approved under section 1842 of this title” in second sentence before “shall be commended” and in last sentence before “in compliance with this chapter”.

Subsec. (c). Pub. L. 91-607, §104(b), substituted “under section 1842 of this title” for “pursuant to this chapter”.

1966—Pub. L. 89-485 designated existing provisions as subsec. (a), inserted “except as specifically provided in this section”, and added subsecs. (b) to (f).

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106-102 effective 120 days after Nov. 12, 1999, see section 161 of Pub. L. 106-102, set out as a note under section 24 of this title.

§ 1850. Acquisition of subsidiary and tying arrangement; Federal Reserve Board proceedings; application for authorization; competitor as party in interest and person aggrieved; judicial review

With respect to any proceeding before the Federal Reserve Board wherein an applicant seeks authority to acquire a subsidiary which is a bank under section 1842 of this title or to engage in an activity otherwise prohibited under chapter 22 of this title, a party who would become a competitor of the applicant or subsidiary thereof by virtue of the applicant's or its subsidiary's acquisition, entry into the business involved, or activity, shall have the right to be a party in interest in the proceeding and, in the event of an adverse order of the Board, shall have the right as an aggrieved party to obtain judicial review thereof as provided in section 1848 of this title or as otherwise provided by law.

(Pub. L. 91-607, title I, §105, Dec. 31, 1970, 84 Stat. 1766; Pub. L. 106-102, title I, §102(b)(1), Nov. 12, 1999, 113 Stat. 1341.)

CODIFICATION

Section was enacted as part of the Bank Holding Company Act Amendments of 1970, and not as part of the Bank Holding Company Act of 1956 which comprises this chapter.

AMENDMENTS

1999—Pub. L. 106-102 struck out “, to engage directly or indirectly in a nonbanking activity pursuant to section 1843 of this title,” after “section 1842 of this title”.

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106-102 effective 120 days after Nov. 12, 1999, see section 161 of Pub. L. 106-102, set out as a note under section 24 of this title.

CHAPTER 18—BANK SERVICE COMPANIES

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1862.	Amount of investment in bank service company.
1863.	Permissible bank service company activities for depository institutions.

Sec.	
1864.	Permissible bank service company activities for other persons.
1865.	Prior approval for investments in bank service companies.
1866.	Services to nonstockholders or nonmembers.
1867.	Regulation and examination of bank service companies.

§ 1861. Short title and definitions

(a) Short title

This chapter may be cited as the “Bank Service Company Act”.

(b) Definitions

For the purpose of this chapter—

(1) the term “appropriate Federal banking agency” shall have the meaning provided in section 1813(q) of this title;

(2) the term “bank service company” means—

(A) any corporation—

(i) which is organized to perform services authorized by this chapter; and

(ii) all of the capital stock of which is owned by 1 or more insured depository institutions; and

(B) any limited liability company—

(i) which is organized to perform services authorized by this chapter; and

(ii) all of the members of which are 1 or more insured depository institutions.

(3) the term “Board” means the Board of Governors of the Federal Reserve System;

(4) the term “depository institution” means, except when such term appears in connection with the term “insured depository institution”, an insured bank, financial institution subject to examination by the Director of the Office of Thrift Supervision or the National Credit Union Administration Board, or a financial institution the accounts or deposits of which are insured or guaranteed under State law and are eligible to be insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration Board;

(5) INSURED DEPOSITORY INSTITUTION.—The term “insured depository institution” has the same meaning as in section 1813(c) of this title;

(6) the term “invest” includes any advance of funds to a bank service company, whether by the purchase of stock, the making of a loan, or otherwise, except a payment for rent earned, goods sold and delivered, or services rendered prior to the making of such payment;

(7) the term “limited liability company” means any company, partnership, trust, or similar business entity organized under the law of a State (as defined in section 1813 of this title) which provides that a member or manager of such company is not personally liable for a debt, obligation, or liability of the company solely by reason of being, or acting as, a member or manager of such company;

(8) the term “principal investor” means the insured depository institution that has the largest dollar amount invested in the equity of a bank service company. In any case where